

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

UNITED STATES OF AMERICA	:	
	:	
v.	:	1:20CR478-1
	:	
JASON BLAKE NITSOS	:	

FACTUAL BASIS IN SUPPORT OF GUILTY PLEA

NOW COMES the United States of America, by and through Matthew G.T. Martin, United States Attorney for the Middle District of North Carolina, pursuant to Federal Rule of Criminal Procedure 11(b)(3), and states the following:

On November 14, 2018, the Drug Enforcement Administration – Raleigh, North Carolina District Office (DEA-RAL), opened an investigation into the reported distribution of cocaine hydrochloride in the Chapel Hill, North Carolina area. During March 2019, upon the execution of lawfully obtained search warrants at several residences, the DEA and local law enforcement, (the Orange County North Carolina Sheriff’s Office), arrested a subject – identified herein as Cooperating Defendant 2 (CD2) – who was found in possession of 394 grams of cocaine hydrochloride (hereinafter cocaine). The drugs were seized from a residence located in Carrboro, North Carolina. The cocaine was shipped to CD2 from a source of supply in Ceres, California, who was later identified

as Francisco Javier Ochoa, Jr. In addition to the cocaine found inside the parcel, the agents and officers seized from this location an additional 48 grams of cocaine, 15.75 pounds of marihuana, \$17,775.00 in U. S. currency, 189 Alprazolam (Xanax) pills, steroids, human growth hormone, and other narcotics. A search at a second residence in Hillsborough, North Carolina associated with CD2, resulted in the seizure of 133 pounds of marihuana, a rifle, and approximately \$10,000 in U. S. currency.

Further investigation into CD2's drug trafficking activities revealed that cocaine he obtained, initially from his codefendant, and subsequently from Ochoa, was distributed to lower-level cocaine dealers who supplied students on the campus of the University of North Carolina at Chapel Hill (UNC-Chapel Hill). On many occasions, the subordinate drug distributors used Venmo – an Automated Clearing House service – to pay CD2 for cocaine.

A number of cooperating sources of information and cooperating defendants have provided information to the DEA during the course of this investigation. CD2 agreed to cooperate with task force officers and agents with the DEA. CD2 identified JASON BLAKE NITSOS as a subordinate cocaine distributor, and he advised that NITSOS sold the cocaine to members of the Eta Chapter of the Beta Theta Pi Fraternity at UNC-Chapel. CD2 reviewed his Venmo transactions with the DEA and confirmed that all of the transactions reflected in the Venmo records between CD2 and NITSOS were

for the sale of cocaine. The records reveal the transactions began in October 2017, with the last transaction occurring in March 2019. NITSOS paid CD2 approximately \$15,000.00 in 32 transactions. Fifteen (15) of the transactions occurred over the Internet Protocol address located at the Beta Theta Pi fraternity house on the campus of UNC-Chapel Hill. The parties used words such as “rent,” “shoes,” and “Cochella,” to conceal the nature of the transactions. Once the funds were transferred via Venmo, CD2 withdrew the money from a bank account.

Based on the approximate sum of \$15,000.00 in transactions, it appears that NITSOS obtained and distributed at least 200 grams, but less than 300 grams of cocaine hydrochloride from CD2, between October 2017 and March 2019. On or about March 1, 2019, NITSOS utilized a cellular telephone assigned telephone number 336-337-5995, in order to purchase a quantity of cocaine over Venmo from CD2 for \$900.00. The memo line for this transaction reflects the word “rent.” The telephone was used in Orange County, in the Middle District of North Carolina.

This, the 15th of December 2020.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on December 15, 2020, the foregoing was electronically filed with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

Kearns Davis, Esq.
Shana L. Fulton, Esq.
Tanisha Palvia, Esq.

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